

Implementing Asset Management

According to the organization, National Performance Review,¹³ there are six critical factors related to internal operations:

- Senior leadership must design and deploy effective performance measurement and management systems.
- A conceptual framework is needed for the performance measurement and management system.
- Effective internal communication is essential.
- Accountability for results must be clearly assigned and well understood.
- Compensation, rewards and recognition are to be linked to performance measurements.
- The communication process must be clear and open.

It is critical for the entire organization to accept the principles of asset management and take individual ownership for ensuring success. The Michigan Department of Transportation (MDOT) has embarked on two critical activities: instituting a cultural environment of quality control and the development of a performance management system. A Performance Management System is addressed in a separate page of this booklet titled "Performance Measures & Standards."

Quality Control

Developing a framework that is understood by employees is essential to integrating concepts of asset management with a cultural philosophy. MDOT achieves this through a focus on quality control, training all employees in basic quality principles. The road to improving quality within MDOT is based on the principles

of continuous improvement, measurement of progress and teaming to improve products and services.

Teamwork and process improvement workshops are important for MDOT to meet its customers' needs and improve employee satisfaction. Workshops are organized to help a group of people who work in a specific process understand, analyze and improve that process, reducing cycle time.

Often employees from several parts of the organization attend workshops together, resulting in improved processes and understanding of how each fits into the process. This leads to improved communication and better teamwork. The key: those who do the work redesign the process, implement the process and are responsible for measuring the improvements.

An Example of Implementation

An example of the implementation of MDOT's asset management process is in the recently completed MDOT *Highway Operations: 2000-2001 Goals & Strategies*. This document offers guidance for employees who will continue to respond to customer needs. The strategies were developed by leaders at all levels and are summarized in three goals directly related to strategic objectives of the *MDOT Business Plan*:

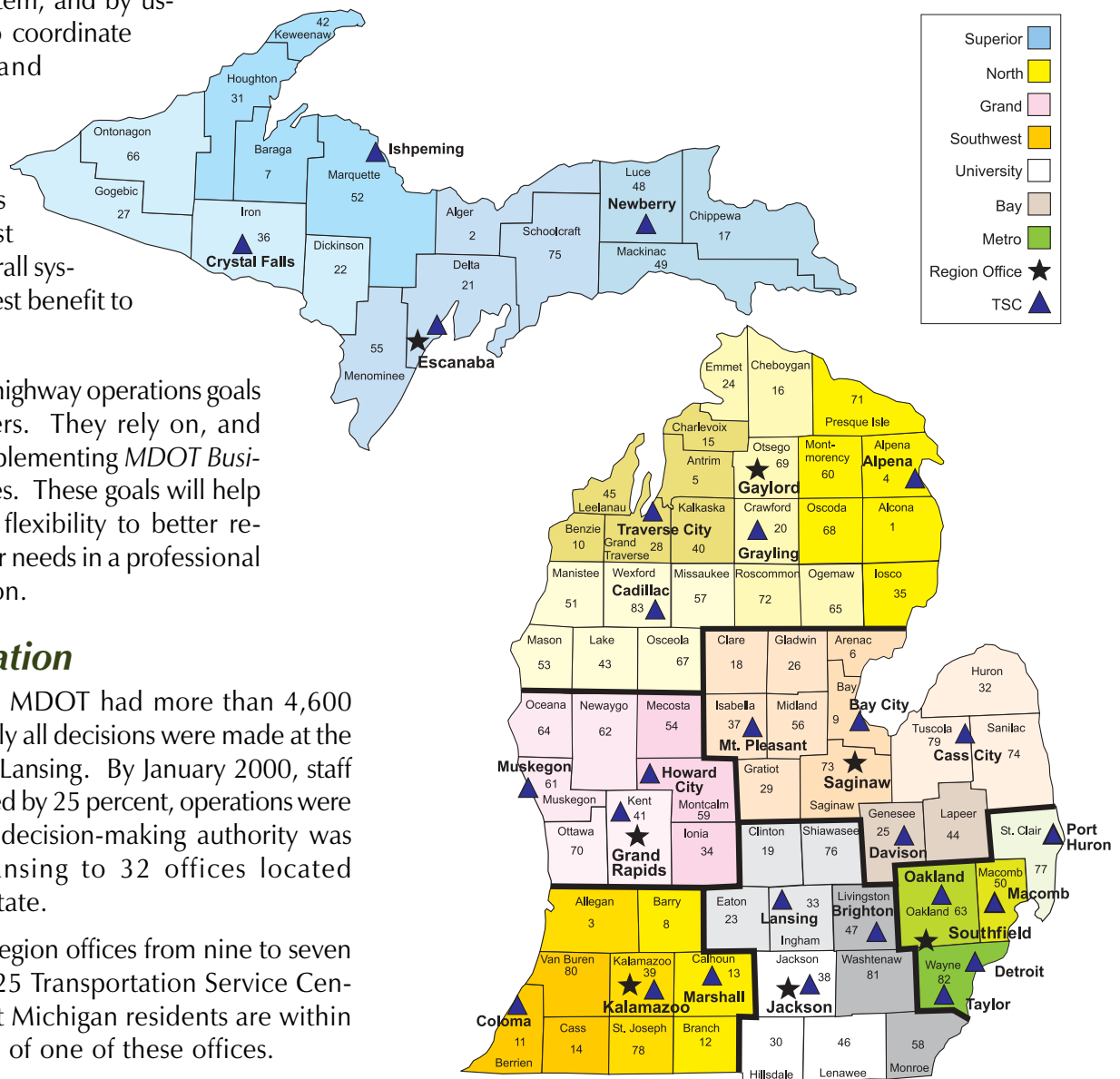
- Strive to satisfy our customers
- Strengthen our organizational culture
- Deliver an effective, quality program

MDOT has also restructured, placing staff throughout Michigan and closer to its customer base. A smaller MDOT is focused more closely on actions most requested by our customers and employees were given more responsibility to meet customer



MDOT reduced region offices from nine to seven and established 25 Transportation Service Centers (TSCs). Most Michigan residents are within a one-hour drive of one of these offices.

TSCs have helped streamline MDOT's operations, increase efficiency and improve delivery of services to customers.



For Further Information -
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